

Department of Environmental Quality

Richard W. Sprott Acting Executive Director

DIVISION OF AIR QUALITY Cheryl Heying Director JON M. HUNTSMAN, JR. Governor

GARY HERBERT
Lieutenant Governor

DAQE-IN0103350042-08

March 14, 2008

Matthew Buell, HSE Manager Tesoro Refining and Marketing Company 474 West 900 North Salt Lake City, Utah 84103

Dear Mr. Buell:

Re: Intent to Approve: Blending Component Loading Rack Modification, Salt Lake County – CDS

A; NA; MAINT; NSPS; MACT; TITLE V

Project Code: N010335-0042

The attached document is the Intent to Approve for the above-referenced project. The Intent to Approve is subject to public review. Any comments received shall be considered before an Approval Order is issued.

Future correspondence on this Intent to Approve should include the engineer's name as well as the DAQE number as shown on the upper right-hand corner of this letter. Please direct any questions you may have on this project to Mr. John Jenks. He may be reached at (801) 536-4459.

Sincerely,

Ty Howard, Manager New Source Review Section

TH:NM:kw

cc: Salt Lake Valley Health Department

Mike Owens, EQP Region VIII

STATE OF UTAH

Department of Environmental Quality

Division of Air Quality

INTENT TO APPROVE: Blending Component Loading Rack Modification

Prepared By: John Jenks, Engineer (801) 536-4459 Email: jjenks@utah.gov

INTENT TO APPROVE NUMBER

DAQE-IN0103350042-08

Date: March 14, 2008

Tesoro Refining and Marketing Company
Source Contact
Matthew Buell
(801) 521-4966

M. Cheryl Heying Executive Secretary Utah Air Quality Board

Abstract

Tesoro Refining and Marketing Company submitted a Notice of Intent (NOI) to modify an existing blending component loading rack. The modifications will include an increase in total throughput, to increase the number of loading stations to six, and to allow the loading of additional blending components. The modifications will not increase overall throughput capacity at the refinery. Emissions from the loading rack will increase by an estimated 0.6 tons per year of VOCs and 0.23 tons per year of combined HAPs. The Tesoro Refinery is located in Salt Lake County, which is a Non-attainment area of the National Ambient Air Quality Standards (NAAQS) for PM_{10} and SO_2 , and is a Maintenance area for O_3 and CO (within Salt Lake City). New Source Performance Standards (NSPS) A, Db, J, K, Ka, Kb, GG, GGG, and QQQ; and Maximum Achievable Control Technology (MACT) regulations CC and UUU apply to this source. Title V of the 1990 Clean Air Act also applies to this source.

The Notice of Intent (NOI) for the above-referenced project has been evaluated and has been found to be consistent with the requirements of the Utah Administrative Code Rule 307 (UAC R307). Air pollution producing sources and/or their air control facilities may not be constructed, installed, established, or modified prior to the issuance of an Approval Order (AO) by the Executive Secretary of the Utah Air Quality Board.

A 30-day public comment period will be held in accordance with UAC R307-401-7. A notice of intent to approve will be published in the Salt Lake Tribune and Deseret News on March 18, 2008. During the public comment period the proposal and the evaluation of its impact on air quality will be available for both you and the public to review and comment. If anyone so requests a public hearing, it will be held in accordance with UAC R307-401-7. The hearing will be held as close as practicable to the location of the source. Any comments received during the public comment period and the hearing will be evaluated.

Please review the proposed AO conditions during this period and make any comments you may have. The proposed conditions of the AO may be changed as a result of the comments received. Unless changed, the AO will be based upon the following conditions:

General Conditions:

1. This AO applies to the following company:

Site Office

<u> </u>	<u> corporatio critico accumion</u>
Tesoro Refining and Marketing Co. 474 West 900 North Salt Lake City, Utah 84103-1494	Tesoro Refining and Marketing Co 300 Concord Plaza Drive San Antonio, Texas 78216
Phone Number (801) 366-2036 Fax Number (801) 521-4952	(801) 521-4810 (801) 521-4952

Corporate Office Location

The equipment listed in this AO shall be operated at the following location:

Plant Location

474 West 900 North Salt Lake City, Utah

Universal Transverse Mercator (UTM) Coordinate System: 4,515.95 kilometers Northing, 423.8 kilometers Easting, Zone 12, UTM Datum NAD27

- 2. All definitions, terms, abbreviations, and references used in this AO conform to those used in the Utah Administrative Code (UAC) Rule 307 (R307), and Title 40 of the Code of Federal Regulations (40 CFR). Unless noted otherwise, references cited in these AO conditions refer to those rules.
- 3. This approval order shall replace and supercede Approval Order DAQE-AN0335021-04, dated December 2, 2004. The limits set forth in this AO shall not be exceeded.
- 4. Modifications to the equipment or processes approved by this AO that could affect the emissions covered by this AO must be approved in accordance with R307-401.
- 5. All records referenced in this AO and the MACT standards, which are required to be kept by the owner/operator, shall be made available to the Executive Secretary or Executive Secretary's representative upon request, and the records shall include the two-year period prior to the date of the request. All records shall be kept for a minimum of five (5) years.
- 6. Tesoro Refining and Marketing Company (Tesoro) shall operate the Loading Rack and associated vapor recovery unit (VRU) in accordance with the NOI submitted on November 16, 2006, and the additional information submitted on January 10, 2008.
- 7. The approved installations at Tesoro shall consist of the following:
 - A. A Loading Rack [BCLR] with a capacity of 1,000 gallons per minute
 - B. A rebuilt vapor recovery unit with two carbon adsorption units
 - C. Ancillary pipes and valves
- 8. The loading shall not exceed 1,460,000 barrels per 12-month rolling period.
- 9. To determine compliance with the rolling 12-month total the owner/operator shall calculate a new 12-month total by the twentieth day of each month using data from the previous 12 months. The supervisor shall keep a daily record of the material that is loaded.
- 10. In addition to the requirements of this AO, all applicable provisions of 40 CFR 60, Subparts A and GGG, as well those of 40 CFR 63, Subart CC, shall apply.

- 11. The owner/operator shall keep a record of the activated carbon replacements.
- 12. At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any equipment approved under this AO including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Executive Secretary which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. All maintenance performed on equipment authorized by this AO shall be recorded, and the records shall be maintained for a period of two years.
- 13. The owner/operator shall comply with R307-150 Series: Inventories, Testing, and Monitoring.
- 14. The owner/operator shall comply with R307-107. General Requirements: Unavoidable Breakdowns.

This AO in no way releases the owner or operator from any liability for compliance with all other applicable federal, state, and local regulations including R307. The Executive Secretary shall be notified in writing if the company is sold or changes its name.

A copy of the rules, regulations and/or attachments addressed in this AO may be obtained by contacting the DAQ. The Utah Administrative Code R307 rules used by DAQ, the Notice of Intent (NOI) guide, and other air quality documents and forms may also be obtained on the Internet at the following web site:

http://airquality.utah.gov/

Any future modifications to the equipment approved by this order must also be approved in accordance with R307- 401[Permitting].

The DAQ is authorized to charge a fee for reimbursement of the actual costs incurred in the issuance of an AO. An invoice will follow upon issuance of the final AO.

Sincerely,

Ty Howard, Manager New Source Review Section